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Senate sends JOBS start-up package to governor

LANSING – A bi-cameral, bi-partisan package of bills designed to provide tax incentives for small start-up businesses was passed by the Senate today, announced Sen. Patty Birkholz, R-Saugatuck Township.

The package is the last portion of the initial phase of the JOBS Action plan for revitalizing Michigan's economy, creating and saving jobs and spurring business investment.

"I'm pleased this package is finally headed to governor and expect her to sign it quickly," Birkholz said. "We cannot act soon enough to help our residents find jobs and succeed in their businesses."

The bills are designed to encourage the growth of small firms that have the highest potential of creating future jobs and economic growth for Michigan. They would exempt certain businesses from most taxes during their first five years of business – traditionally the toughest years for businesses.

Businesses that qualify would be exempt from property taxes, as well as state and city income taxes and the Single Business Tax for five years if the firm has no net income. Qualified firms are still subject to sales and use taxes.

"Knowing that half of all new businesses fail in their first four years, it was imperative that we provide tax breaks to help them be successful," Birkholz said. "These bills will give them the assistance they need to remain in business and contribute to the economy."

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